

**CITY OF MILWAUKIE  
BUDGET COMMITTEE MEETING  
November 19, 2018**

Members Present: Shane Abma, Milo Denham, Angel Falconer,  
Mark Gamba, Michael Osborne, Wilda Parks and Jon Stoll

Excused: Lisa Batey, Jesse Boumann, Mary Rowe

Staff Present: Leila Aman, Bonnie Dennis, Ann Ober (via phone), and Gary Rebello

**Chair Stoll** called the meeting to order at 5:31 pm.

Approval of August 20, 2018 minutes

**It was moved by Mayor Gamba and seconded by Ms. Parks to approve the August 20, 2018 meeting minutes as written. Motion passed unanimously.**

February Meeting

**Ms. Dennis** requested the second quarter meeting be rescheduled to February 11<sup>th</sup> in order to facilitate a joint meeting with the CUAB. Members agreed to the new date.

Council Compensation

**Mr. Rebello** presented the City Council compensation review for area agencies. Cities represented are those same agencies Milwaukie compares collective bargaining, compensation and benefits; these agencies are considered Milwaukie's market. He described the cities' dynamic and the perks / benefits received summarized on the sheet.

**Chair Stoll** asked if Council members receive mileage reimbursement.

**Mr. Rebello** responded mileage would fall under an expense line.

**Mr. Abma** asked if the expense budget is an additional amount.

**Ms. Dennis** responded there is a separate line for expenses.

**Mr. Denham** asked if there are job descriptions for the Council.

**Mayor Gamba** responded there is a short description included in the charter.

**Ms. Ober** stated it is up to the Council how positions are managed. The charter states expectations of the Mayor, Council, City Manager, City Attorney, and Municipal Judge; it is determined by the current Council.

**Mr. Abma** and **Mr. Rebello** discussed the insurance provided to other councils and if other cities consider council members employees as it relates to PERS.

The committee discussed health plan amounts and benefits offered.

**Chair Stoll** called for public comment.

**Craig Ernst**, Milwaukie citizen, asked how will the budget be impacted if the stipend is increased.

**Vince Alvarez**, Milwaukie citizen, stated the current Council spends a lot of time attending meetings; it is good to have a diverse Council.

**Ben Rousseau**, Milwaukie citizen, stated there are a lot of outside issues that impact the city that will require strategy to move forward. Keep moving forward with a more active Council; an increase in the stipend will attract more citizens interested in serving in this capacity.

**Mr. Abma** and **Mr. Rousseau** discussed putting this matter to a citizen vote, whether the Mayor is full-time, and possible compensation amount for the Mayor and Councilors.

**Mr. Denham** and **Mr. Rousseau** discussed mayoral expectations.

**Bryce Magorian**, Milwaukie citizen, stated the Council should be engaged and active within the community.

**Kathy Hyzy**, Milwaukie citizen, specifically commented on the Mayor position only since she is a Councilor-elect; there is an equity / issue balance with the current structure.

**Stephan Lashbrook**, Milwaukie citizen, stated there is merit in treating the Mayor position different than a Councilor position.

**Chair Stoll** thanked the citizens for their comments. He is inclined to have an independent commission for this matter.

**Craig Ernst**, Milwaukie citizen, added the Mayor has done a great job, citizens should consider a living wage for this position.

**Chair Stoll** asked if the public can legally vote on this type of situation.

**Ms. Dennis** stated a commission can be established.

There was a discussion about referring this matter to the ballot for incremental spending.

**Mr. Abma** clarified the vote he was referring to was for an advisory vote only.

**Mr. Denham** asked the bases for the property tax amount in the budget.

**Ms. Dennis** responded she would need to research how it was calculated for the budget.

**Mr. Denham** suggested new property tax revenue supplementing the increase in Council stipends.

**Ms. Falconer** stated she is supportive of an independent advisory committee; members of the committee should not be anyone that might benefit from the recommendation.

Committee members discussed the make-up of the potential advisory committee; amounts paid to the Council and job descriptions.

**Ms. Ober** stated she will talk to staff regarding time commitments and come back to Council.

**Motion made to recommend the creation of a compensation committee task force. Motion passed.**

**Craig Ernst**, Milwaukie citizen, recommended having educational meetings with the public to discuss the topic.

#### Bank Charges

**Ms. Dennis** began the discussion by going through the memo which explains current bank charges.

**Mr. Abma** asked if there is a cap on the depository account deposits.

**Ms. Dennis** responded that she would look into that with our current bank services.

**Ms. Parks** asked if some credit cards have higher fees and could be denied as payment.

**Ms. Dennis** responded the city has received very few payments with those cards, so the fees are minimal.

Members discussed the auto-draft option for paying utility bills; implementing fees for larger dollar transactions.

**Ms. Dennis** outlined the options going forward.

**Chair Stoll** believes in the RFP process will bring competitive bids from other banks and he supports the convenience fee for larger dollar transactions.

#### Supplemental Budget Discussion

**Ms. Dennis** outlined the FY10 supplemental budget request which includes increasing parking enforcement in downtown Milwaukie with the increase of a half-time parking enforcement officer to a full-time position; a transfer of a .5 FTE position from Finance to Police for the EOC management; an increase in revenues received to account for an increase in personnel costs for the Building Fund; and lastly, a General Fund transfer to the Library Fund related to the Library expansion project.

**Ms. Ober** clarified the additional expenses with the project.

**Ms. Aman** is expecting the cost estimate and guaranteed maximum price from the contractor next week.

**Chair Stoll** made a motion to bring the supplemental budget to Council; motion passed unanimously. Committee did this as a formality, it was not required to have a vote.

#### Review & Discussion of the Quarterly Financial Report for the FY19 First Quarter Ended September 30, 2018

**Ms. Dennis** noted the report has quite a few changes with additional information requested by the committee. The city attorney section has been removed; since it is now a separate department with an in-house attorney. At the time of reporting, the numbers reflected are unaudited. The flexible budget has been restored in the report. Beginning with the General Fund, the city received a payment of property taxes in the first quarter due to a back payment of Comcast property taxes. She continued with the other highlights.

**Mayor Gamba** asked where in the budget would past due right-of-way payments be reflected.

**Ms. Dennis** responded since that is a receivable, that amount would be reflected on the balance sheet. Once the money is received it will be reflected on the report under revenue. She can include the amount in the executive summary. She continued highlighting the larger variances in revenue and expenses throughout the funds.

**Mayor Gamba** asked if the gas tax revenue increase, was a result of the new tax revenue or an increase in consumption.

**Ms. Dennis** responded it was a combination of both.

**Mr. Abma** clarified Mayor Gamba's question.

**Ms. Dennis** stated the city does not get that breakdown from the state.

**Chair Stoll** asked the interest rate of the Transportation bond.

**Ms. Dennis** will need to follow-up. She continued with the financial statements presentation.

**Chair Stoll** asked if there had been any engineers hired recently.

**Ms. Dennis** responded they are still doing interviews.

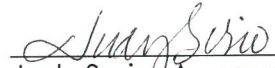
**Mr. Abma** asked if the new budget committee member was selected.

**Ms. Dennis** responded Mary Rowe was appointed but was unable to attend tonight's meeting.

Adjourn

It was moved by **Ms. Falconer** and seconded by **Ms. Parks** to adjourn the meeting at 7:30 p.m.  
Motion passed unanimously.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Judy Serio", is written over a horizontal line.

Judy Serio, Accountant